

1 Eric J. Olson (SBN 37630)  
2 EJOLSONLAW  
3 301 East Colorado Boulevard, Suite 520  
4 Pasadena, California 91101  
5 T: 818-245-2246  
6 C: 626-224-5619  
7 Eric@EJOlsonLaw.com

8 Attorney for Adversary Proceeding Defendants  
9 Leslie Klein, The Second Amended Klein Living Trust, The Marital Deduction Trust of  
10 Erika Klein, The Survivor's Trust of Leslie Klein, and Barbara Klein

11 **UNITED STATES BANKRUPTCY COURT**  
12 **CENTRAL DISTRICT OF CALIFORNIA – LOS ANGELES DIVISION**

13 In re:

14 LESLIE KLEIN,

15 Debtor.

Case No.: 2:23-bk-10990-SK

Chapter 11

16 **OPPOSITION TO MOTION OF CHAPTER**  
17 **11 TRUSTEE FOR ORDER (1)**  
18 **RESTORING POSSESSION OF THE**  
19 **PROPERTY LOCATED AT 322 N. JUNE**  
20 **ST., LOS ANGELES, CALIFORNIA TO**  
21 **THE TRUSTEE AND COMPELLING**  
22 **DEBTOR TO VACATE THE PROPERTY;**  
23 **ETC.; MEMORANDUM OF POINTS AND**  
24 **AUTHORITIES; DECLARATION OF**  
25 **LESLIE KLEIN; EXHIBITS**

Date: February 12, 2025

Time: 9:00 AM

Place: Courtroom 1575

255 East Temple Street

Los Angeles, California 90012

26 **TO THE HONORABLE SANDRA R. KLEIN, JUDGE OF THE UNITED STATES**  
27 **BANKRUPTCY COURT, OFFICE OF THE UNITED STATES TRUSTEE, CHAPTER 11**  
28 **TRUSTEE, AND TO ALL PARTIES IN INTEREST:**

**OPPOSITION TO MOTION FOR ORDER RESTORING POSSESSION OF THE PROPERTY LOCATED**  
**AT 322 N. JUNE ST., LOS ANGELES, CALIFORNIA**

1           **PLEASE TAKE NOTICE** that Adversary Proceeding Defendants, Leslie Klein,  
2 Leslie Klein as Trustee of The Second Amended Klein Living Trust, Leslie Klein as  
3 Trustee of The Marital Deduction Trust of Erika Klein, Leslie Klein as Trustee of The  
4 Survivor's Trust of Leslie Klein, and Barbara Klein, hereby file this opposition to the  
5 Chapter 11 Trustee's Motion for Order (1) Restoring Possession of the Property  
6 Located at 322 N. June St., Los Angeles, California to the Trustee and Compelling  
7 Debtor to Vacate the Property; Etc. ("Motion to Restore Possession of June Street"),  
8 and respectfully represent as follows:  
9

10  
11           **I. INTRODUCTION**

12           In his motion, Plaintiff Trustee seeks a turnover order based on the Order in the  
13 Motion for Summary Judgment regarding the June Street Property against Debtor from  
14 his residence. Curiously, it is not addressed to his wife, co-defendant Barbara Klein,  
15 also a resident.  
16

17           At the hearing the Court declined to grant such an order (transcript p 72 line 22 – p  
18 73 line 8). In his motion, moving party states "*No stay of the judgment is in place*". If the  
19 Court's prior declination to grant an eviction against defendants does not suffice for  
20 these purposes, **Defendants request the Court to grant a stay to the extent of**  
21 **declining to evict defendants at this time.**  
22

23           Defendants have proposed to Plaintiff that the marital deduction trust and credit trust  
24 are willing to pay \$10,000 a month to Mr. Sharp, and to pay all the utility bills and all the  
25 repair and maintenance bills until the appeals court decides if the bankruptcy estate  
26 owns the house or the marital deduction trust or credit trust owns the house. The trusts  
27 are also prepared to go to mediation and to discuss other types of proposals.  
28

**OPPOSITION TO MOTION FOR ORDER RESTORING POSSESSION OF THE PROPERTY LOCATED  
AT 322 N. JUNE ST., LOS ANGELES, CALIFORNIA**

1 Defendants have pointed out that continued presence of Defendants Leslie Klein  
2 and Barbara Klein in June Street Property is in best interest of the estate to avoid  
3 vacant property in hands of the estate while further proceedings are had to (if  
4 successful by Plaintiff) create clear and insurable title as set forth below.  
5

6 Additionally, the Court has authority and the responsibility to not unnecessarily  
7 burden third parties in connection with Section 344(a)(3). (See II d p 5, infra)

## 8 **II. ARGUMENT**

### 9 **a. Facts**

10 In his motion, Plaintiff recites that on January 15, 2025 he emailed a demand to  
11 start arranging for vacation of the Property and that on January 17, 2025 he sent a  
12 follow up email that went unanswered as of the time he filed his motion on January 17,  
13 2025. Actually, a response had been sent before the filing. A copy of the exchange of  
14 emails is attached as Exhibit A.  
15

16 On January 16, 2024, Defendants filed and served their Statement of Issues in  
17 connection with their Appeal, a copy of which is attached as Exhibit B.  
18

19 This Court awarded Plaintiff judgment as he requested and the title issues raised  
20 are based on Plaintiff's First Amended Complaint, the Motion for Summary Judgment,  
21 and the Order prepared by Plaintiff (Exhibits C, D, E).  
22

23 Defendants call attention to Issues 3 and 4 as set forth in Exhibit B.

### 24 **b. Failure to Join Necessary Parties**

25 The Second Amended Klein Living Trust has 5 named parties, the four children  
26 of the late Erika Klein and debtor Les Klein, and the Credit Trust, who, for reasons  
27 never explained, were never joined as parties to the Quiet Title litigation.  
28

1 CCP § 762.010 provides *"The plaintiff shall name as defendants in the action the*  
2 *persons having adverse claims to the title of the plaintiff against which a determination*  
3 *is sought"*. The Code Commissioner states, *"Section 762.010 states the rule for the*  
4 *joinder of known adverse claimants; Failure to join these persons will result in a*  
5 *judgment that does not bind them"*.  
6

7 **c. Naming of "trusts" as if they had juridical existence**

8 The First Amended Complaint and the Order name as parties "The Second  
9 Amended Klein Living Trust", "The Marital Deduction Trust of Erika Klein" and "The  
10 Survivor's Trust of Leslie Klein".  
11

12 A *"trust itself cannot sue or be sued"*. *Presta v. Tepper (2009) 179 CA4th 4th 909*  
13 *cited in Portico Management Group v. Harrison, 202 CA4th 464, 473 (2011)*.  
14

15 The California courts have consistently held that issues related to standing,  
16 which affect the jurisdiction of the court, are not waived by the failure to raise them at  
17 trial and can be addressed on appeal. *Cummings v. Stanley, 177 Cal. App. 4th 493, In*  
18 *re B.S., 65 Cal. App. 5th 888*. (see also Exhibit F)

19 It is in the best interest of the Estate that Defendants Barbara Klein and Leslie  
20 Klein remain in possession of the June Street Property, with the Marital Deduction Trust  
21 and Credit Trust paying maintenance utilities and repairs and by their presence  
22 deterring occupancy by homeless people as opposed to leaving it vacant.  
23

24 While it is not unique to this estate, we have seen situations where comparable  
25 properties left vacant attract homeless people who do significant damage thereby  
26 reducing the value of the asset for the estate. For example, see Declaration of Leslie  
27 Klein attached.  
28

**d. The Court should review the trustee's proposed exercise of powers  
so as not to unnecessarily harm third parties in the exercise of  
Section 344(a)(3)**

The Trustee's proposed action affects not only the Debtor but others, not least his wife, Defendant Barbara Klein. It is clear that the Trustee would not be in a position to sell immediately and so, would have a vacant property on his hands. There is an offer on the table as well as an expression of willingness to mediate. Under the circumstances there is no reason to evict from her residence a woman during a period when it is of no value to the Trustee.

The following is from a search of Lexis Nexis, but counsel has verified the authority cited:

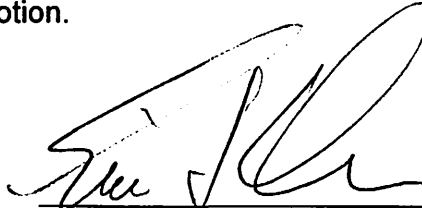
*"Yes, a trustee should use discretion to avoid unnecessarily harming third parties when exercising powers under Section 344(a)(3). The bankruptcy court has the discretion to authorize and enforce actions requested by the trustee, such as compelling a debtor to sign a consent directive, which is part of the trustee's investigatory duties. Rigby v. Mastro (In re Mastro), 585 B.R. 587. The trustee's investigatory powers are broad and include the authority to require the production of documents and other information necessary for the administration of the estate. However, the exercise of these powers should be balanced with the potential impact on third parties, ensuring that actions taken are necessary and proportionate to the objectives of the bankruptcy process. This approach aligns with the general principle that bankruptcy proceedings should be conducted in a manner that is fair and equitable to all parties involved, including third*

1 parties who may be affected by the trustee's actions. Rigby v. Mastro (In re Mastro), 585  
2 B.R. 587, Miller v. Mathis (In re Mathis), 548 B.R. 465."

3 **III. CONCLUSION**

4 For the foregoing reasons, the Adversary Proceeding Defendants respectfully  
5  
6 request that the Court deny the Motion to Restore Possession of June Street, order the  
7 parties to meet and confer, and to the extent necessary, mediate regarding the property,  
8 and order the trustee to stay the order on the Motion for Summary Judgment to prevent  
9 eviction of defendants pending further motion.

10 Dated: January 29, 2025

11  
12 

13 Eric J. Olson  
14 Attorney for Adversary Proceeding  
15 Defendants  
16 Leslie Klein, The Second Amended Klein  
17 Living Trust, The Marital Deduction Trust  
18 of Erika Klein, The Survivor's Trust of  
19 Leslie Klein, and Barbara Klein  
20  
21  
22  
23  
24  
25  
26  
27  
28

**DECLARATION OF LESLIE KLEIN**

I, Leslie Klein, states:

1. I am Debtor herein. My wife, Barbara Klein and I reside in the subject property at 322 North June Street. She is not a co-debtor.
2. I am familiar with properties in the area which were left vacant and became occupied by homeless people and left serious damage diminishing its value. One such example is 315 North Martel Avenue, Los Angeles, California 90036, originally part of this estate, which I estimate lost \$1,000,000 in value.
3. Attached hereto as Exhibit A is a true and correct copy of the exchange of emails regarding a demand to start arranging for vacation of the property.
4. Attached hereto as Exhibit B is a true and correct copy of the Statement of Issues.
5. Attached hereto as Exhibit C is a true and correct copy of Plaintiff's First Amended Complaint.
6. Attached hereto as Exhibit D is a true and correct copy of the Motion for Summary Judgment.
7. Attached hereto as Exhibit E is a true and correct copy of the Order regarding Motion for Summary Judgment.


//

//

1 8. Attached hereto as Exhibit F is a true and correct copy of a memo on raising lack  
2 of standing on appeal.

3 I declare under penalty of perjury under the laws of the United States that the  
4 foregoing is true and correct. Executed this 29<sup>th</sup> day of January 2025, at Los Angeles,  
5 California.  
6

7 Dated: January 29, 2025

8   
9  
10 Leslie Klein

11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
  
OPPOSITION TO MOTION FOR ORDER RESTORING POSSESSION OF THE PROPERTY LOCATED  
AT 322 N. JUNE ST., LOS ANGELES, CALIFORNIA



1 8. Attached hereto as Exhibit F is a true and correct copy of a memo on raising lack  
2 of standing on appeal.

3 I declare under penalty of perjury under the laws of the United States that the  
4 foregoing is true and correct. Executed this 29<sup>th</sup> day of January 2025, at Los Angeles,  
5 California.  
6

7 Dated: January 29, 2025

8 /s/ Leslie Klein

9  
10 

---

Leslie Klein

In re: LESLIE KLEIN  
Debtor.

Chapter 11  
Case No.: 2:23-bk-10990-SK

**PROOF OF SERVICE OF DOCUMENT**

I am over the age of 18 and not a party to this bankruptcy case or  
adversary proceeding. My business address is 301 East Colorado Boulevard,  
Suite 520, Pasadena, California 91101.

A true and correct copy of the foregoing document described as "**Opposition to  
Motion for Order Restoring Possession of the Property Located at 322 N.  
June St., Los Angeles, California**" will be served or was served (a) on the  
judge in chambers in the form and manner required by LBR 5005-2(d); and (b) in  
the manner indicated below:

**I. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING**

("NEF") Pursuant to controlling General Order(s) and Local Bankruptcy Rule(s)  
("LBR"), the foregoing document will be served by the court via NEF and  
hyperlink to the document. On January 29, 2025, I checked the CM/ECF docket  
for this bankruptcy case or adversary proceeding and determined that the  
following person(s) are on the Electronic Mail Notice List to receive NEF  
transmission at the email address(es) indicated below:

[x] Service information continued on attached page.

**II. SERVED BY U.S. MAIL OR OVERNIGHT MAIL** (indicated method for each  
person or entity served): On January 29, 2025, I served the following person(s)  
and/or entity(ies) at the last known address(es) in this bankruptcy case or  
adversary proceeding by placing a true and correct copy thereof in a sealed  
envelope in the United States Mail, first class, postage prepaid, and/or with an  
overnight mail service addressed as follows. Listing the judge here constitutes a  
declaration that mailing to the judge will be completed no later than 24 hours  
after the document is filed.

[x] Service information continued on attached page.

**OPPOSITION TO MOTION FOR ORDER RESTORING POSSESSION OF THE PROPERTY LOCATED  
AT 322 N. JUNE ST., LOS ANGELES, CALIFORNIA**

In re: LESLIE KLEIN  
Debtor.

Chapter 11  
Case No.: 2:23-bk-10990-SK

I declare under penalty of perjury under the laws of the United States of  
America that the foregoing is true and correct.

01/29/2025  
Date

Jasper Pantaleon  
Type Name

  
Signature

**I. TO BE SERVED BY THE COURT VIA NOTICE OF ELECTRONIC FILING (NEF)":**

- Simon Aron [saron@wrslawyers.com](mailto:saron@wrslawyers.com), [moster@wrslawyers.com](mailto:moster@wrslawyers.com)
- Kenneth Miskin [Kenneth.m.miskin@usdoj.gov](mailto:Kenneth.m.miskin@usdoj.gov)
- Reem J Bello [rbello@goeforlaw.com](mailto:rbello@goeforlaw.com), [kmurphy@goeforlaw.com](mailto:kmurphy@goeforlaw.com)
- Jeffrey Nolan [jnolan@pszjlaw.com](mailto:jnolan@pszjlaw.com)
- Ron Bender [rb@lnbyg.com](mailto:rb@lnbyg.com)
- Michael Jay Berger [Michael.berger@bankruptcypower.com](mailto:Michael.berger@bankruptcypower.com),  
[Yathida.nipha@bankruptcypower.com](mailto:Yathida.nipha@bankruptcypower.com), [Michael.berger@ecf.inforuptcy.com](mailto:Michael.berger@ecf.inforuptcy.com)
- Jeffrey N Pomerantz [jpomerantz@pszjlaw.com](mailto:jpomerantz@pszjlaw.com)
- Greg P Campbell [ch11ecf@aldridgepate.com](mailto:ch11ecf@aldridgepate.com), [gc@ecf.inforuptcy.com](mailto:gc@ecf.inforuptcy.com),  
[gcampbell@aldridgepate.com](mailto:gcampbell@aldridgepate.com)
- Brian A Procel [bprocel@millerbarondess.com](mailto:bprocel@millerbarondess.com), [rdankwa@millerbarondess.com](mailto:rdankwa@millerbarondess.com),  
[docket@millerbarondess.com](mailto:docket@millerbarondess.com)
- Joshua L Scheer [jscheer@scheerlawgroup.com](mailto:jscheer@scheerlawgroup.com), [jscheer@ecf.courtdrive.com](mailto:jscheer@ecf.courtdrive.com)
- Baruch C Cohen [bcc@baruchcohenesq.com](mailto:bcc@baruchcohenesq.com), [paralegal@baruchcohenesq.com](mailto:paralegal@baruchcohenesq.com)
- Mark M Sharf (TR) [mark@sharflaw.com](mailto:mark@sharflaw.com), [c188@ecfcbis.com](mailto:c188@ecfcbis.com), [sharf1000@gmail.com](mailto:sharf1000@gmail.com),  
[2180473420@filings.docketbird.com](mailto:2180473420@filings.docketbird.com)
- Theron S Covey [tcovey@raslg.com](mailto:tcovey@raslg.com)
- Bradley D Sharp (TR) [bsharp@dsi.biz](mailto:bsharp@dsi.biz)
- Jeffrey W Dulberg [jdulberg@pszjlaw.com](mailto:jdulberg@pszjlaw.com)
- Dane W Exnowski [dane.exnowski@mccalla.com](mailto:dane.exnowski@mccalla.com), [bk.ca@mccalla.com](mailto:bk.ca@mccalla.com),  
[mccallaecf@ecf.courtdrive.com](mailto:mccallaecf@ecf.courtdrive.com)
- Richard P Steelman [rps@lnbyg.com](mailto:rps@lnbyg.com), [john@lnbyg.com](mailto:john@lnbyg.com)
- Alan W Forsley [alan.forsley@flpllp.com](mailto:alan.forsley@flpllp.com), [awf@fkllawfirm.com](mailto:awf@fkllawfirm.com), [awf@fl-lawyers.net](mailto:awf@fl-lawyers.net),  
[addy@flpllp.com](mailto:addy@flpllp.com)
- Nikko Salvatore Stevens [nikko@cym.law](mailto:nikko@cym.law), [mandi@cym.law](mailto:mandi@cym.law)
- Robert P Goe [kmurphy@goeforlaw.com](mailto:kmurphy@goeforlaw.com), [rgoe@goeforlaw.com](mailto:rgoe@goeforlaw.com), [goeforecf@gmail.com](mailto:goeforecf@gmail.com)
- Alan G Tippie [alan.tippie@gmlaw.com](mailto:alan.tippie@gmlaw.com), [atippie@ecf.courtdrive.com](mailto:atippie@ecf.courtdrive.com),  
[karen.files@gmlaw.com](mailto:karen.files@gmlaw.com), [patricia.dillamar@gmlaw.com](mailto:patricia.dillamar@gmlaw.com), [denise.walker@gmlaw.com](mailto:denise.walker@gmlaw.com)

OPPOSITION TO MOTION FOR ORDER RESTORING POSSESSION OF THE PROPERTY LOCATED  
AT 322 N. JUNE ST., LOS ANGELES, CALIFORNIA

- Michael I Gottfried [mgottfried@elkinskalt.com](mailto:mgottfried@elkinskalt.com), [cavila@elkinskalt.com](mailto:cavila@elkinskalt.com),  
[lwageman@elkinskalt.com](mailto:lwageman@elkinskalt.com), [docketing@elkinskalt.com](mailto:docketing@elkinskalt.com)
- Gary Tokumori [gtokumori@pmcos.com](mailto:gtokumori@pmcos.com)
- Brandon J Iskander [biskander@goeforlaw.com](mailto:biskander@goeforlaw.com), [kmurphy@goeforlaw.com](mailto:kmurphy@goeforlaw.com)
- United States Trustee (LA) [ustpreion16.la.ecf@usdoj.gov](mailto:ustpreion16.la.ecf@usdoj.gov)
- Michael S Kogan [mkogan@koganlawfirm.com](mailto:mkogan@koganlawfirm.com)
- Michael L Wachtell [mwachtell@buchalter.com](mailto:mwachtell@buchalter.com)
- John P Ward [jward@attleseyward.com](mailto:jward@attleseyward.com), [ezhang@attleseystorm.com](mailto:ezhang@attleseystorm.com)
- Marc A Lieberman [marc.lieberman@flpllp.com](mailto:marc.lieberman@flpllp.com), [safa.saleem@flpllp.com](mailto:safa.saleem@flpllp.com),  
[addy@flpllp.com](mailto:addy@flpllp.com)
- Brett J Wasserman [wasserman@smcounsel.com](mailto:wasserman@smcounsel.com)
- John W Lucas [jucas@pszilaw.com](mailto:jucas@pszilaw.com), [ocarpio@pszilaw.com](mailto:ocarpio@pszilaw.com)
- Alex M Weingarten [aweingarten@willkie.com](mailto:aweingarten@willkie.com), [lcarter@willkie.com](mailto:lcarter@willkie.com)
- Armen Manasserian [armen@cym.law](mailto:armen@cym.law), [jennifer@cym.law](mailto:jennifer@cym.law)
- Beth Ann R Young [bry@lnbyq.com](mailto:bry@lnbyq.com), [bry@lnbyb.com](mailto:bry@lnbyb.com)
- Ron Maroko [ron.maroko@usdoj.gov](mailto:ron.maroko@usdoj.gov)
- Clarisse Young [youngshumaker@smcounsel.com](mailto:youngshumaker@smcounsel.com), [levern@smcounsel.com](mailto:levern@smcounsel.com)
- Kirsten Martinez [Kirsten.martinez@bonialpc.com](mailto:Kirsten.martinez@bonialpc.com), [notices.bonial@ecf.courtdrive.com](mailto:notices.bonial@ecf.courtdrive.com)
- Paul P Young [paul@cym.law](mailto:paul@cym.law), [jaclyn@cym.law](mailto:jaclyn@cym.law)
- Steven M Mayer [smayer@mayerlawla.com](mailto:smayer@mayerlawla.com)
- Roye Zur [rzur@elkinskalt.com](mailto:rzur@elkinskalt.com), [tparizad@elkinskalt.com](mailto:tparizad@elkinskalt.com), [lwageman@elkinskalt.com](mailto:lwageman@elkinskalt.com),  
[1648609420@filings.docketbird.com](mailto:1648609420@filings.docketbird.com)
- Christopher M McDermott [ch11ecf@aldridgepate.com](mailto:ch11ecf@aldridgepate.com), [cmm@ecf.inforuptcy.com](mailto:cmm@ecf.inforuptcy.com),  
[cmcdermott@aldridgepate.com](mailto:cmcdermott@aldridgepate.com)
- Krikor J Meshefejian [kim@lnbyq.com](mailto:kim@lnbyq.com)

**II. SERVED BY UNITED STATES MAIL:**

Hon. Sandra Klein  
U.S. Bankruptcy Court  
255 East Temple Street #1582  
Los Angeles, California 90012

Peter C. Anderson, U.S. Trustee  
Michael Jones, Assistant U.S. Trustee  
Office of the U.S. Trustee  
915 Wilshire Boulevard Suite 1850  
Los Angeles, California 90017

Nathan Talei  
Oldman, Sallus & Gold, LLP  
16133 Ventura Boulevard, PH-A  
Encino, California 91436

**OPPOSITION TO MOTION FOR ORDER RESTORING POSSESSION OF THE PROPERTY LOCATED  
AT 322 N. JUNE ST., LOS ANGELES, CALIFORNIA**